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USTR Barshefsky Designates Three New Jordan-Israeli Qualifying Industrial Zones

United States Trade Representative Charlene Barshefsky today designated three new Jordan-Israeli "Qualifying Industrial Zones" (QIZs) from which goods can enter the United States duty-free. The newly-designated QIZs, the Mushatta International Complex, the El Zay Duty Free Area and the Al Qastal Industrial Zone, offer investors opportunities in several new areas, including chemicals, dyes, printing materials, information technology, telecommunications, media production and software. The QIZ program was established in 1996 to stimulate economic cooperation between peace partners in the Middle East.

"The continuing development and growth of Jordanian-Israeli QIZs illustrates the benefits the Middle East can realize through regional economic integration — a key building block for a stable and prosperous peace," said Ambassador Barshefsky. "QIZs paved the way for the negotiation of the U.S.-Jordan Free Trade Agreement and are helping to create thousands of jobs in the region and significantly increased investment flows. In fact, the original QIZ, Irbid, has grown from 1,800 employees and eight factories to more than 7,000 employees and 50 companies since its establishment in March 1998. Today's designation brings the total number of QIZs to ten, a notable achievement given the short time the program has been in operation."

Established in 1996, the QIZ program is part of the Clinton Administration's sustained commitment to build economic cooperation between peace partners in the Middle East, an effort that includes the recently-concluded U.S.-Jordanian Free Trade Agreement (FTA). In an October 24, 2000 White House ceremony attended by President Clinton and King Abdullah of Jordan, Ambassador Barshefsky and her Jordanian counterpart signed this historic agreement, the first FTA for the United States with an Arab nation.

Background

The United States proposed the concepts of QIZs in President Clinton's Proclamation No. 6955 of November 1996. That proclamation extends duty free status to "products of the West Bank, Gaza and Qualifying Industrial Zones." The QIZ represents an unprecedented opportunity to gain duty-free access to the U.S. market and is available only to Jordan, Egypt and Israel. To date only Jordan and Israel have chosen to take advantage of the program.

The previously-designated QIZs are as follows:

Al-Kerak Industrial Estate
Ad-Dulayl Industrial Park
Al-Tajamouat Industrial City
Aqaba Industrial Estate
Gateway Industrial Park
Irbid Qualifying Industrial Zone
Jordan CyberCity Co.